

# **Integrated Health Care Coalition**

July 2, 2012

The Honorable Wally Herger  
House Committee on Ways and Means  
Subcommittee on Health  
1102 Longworth HOB  
Washington, DC 20515

Dear Chairman Herger:

On behalf of the Integrated Health Care Coalition (IHCC), representing integrated health systems across the United States, we thank you for the opportunity to provide the following comments on your Subcommittee's Hearing on the Medicare Payment Advisory Commission's (MedPAC) June 2012 Report to Congress. Specifically, our comments are related to Chapters 2, 3 and 5 that address issues of importance to IHCC members who deal with the provision of integrated care for the patients we serve in urban, suburban and rural communities on a daily basis.

As members of the IHCC and nationally-recognized leaders in healthcare reform, we strongly support the federal government's nearly two decades worth of policies that foster integration and innovation. One of these measures, E&M code payment to hospital outpatient providers, is vital to those of us leading in this arena. Allowing integration between physicians and hospitals on the outpatient and inpatient settings with the payment incentives that HOPD allows is simply recognition of current pattern and practice of medical care. To do otherwise would be to take a giant step backwards in delivery system reform and care coordination. We, therefore, strongly recommend that Congress continue the HOPD program as it meets the recommendations of this June 2012 MedPAC report to provide the flexibility for providers to choose the right tools for their populations and thus support, facilitate and permit the innovations that will improve care..

As context, in April 2000, the Health Care Financing Administration (HCFA, now Center for Medicare & Medicaid Services) published the final rule to create incentives for physicians and hospitals to work together to provide better care for beneficiaries. These incentives led to the creation of a hospital outpatient provider based billing system that rewards those who have developed clinical integration sharing common medical information and coordination and integration of medical services. And we believe that many of the processes started then by CMS in this area, should be concluded via appropriate federal rulemaking and congressional oversight.

Most importantly from a policy-only perspective and as we have communicated with the Congress in prior statements, we believe that the results of these HOPD payments have shown better outcomes for Medicare beneficiaries when they receive medical care in systems that are integrated.

We sincerely appreciate this opportunity to provide comment to the Committee, and look forward to our ongoing conversations in this matter to preserve, promote and protect the patients we serve.

Submitted on behalf of the IHCC,

J. James Rohack MD  
Co-chair IHCC,  
Director, Scott & White Center for Healthcare Policy

Current Member Organizations of the IHCC:

**Scott & White Healthcare (Texas)**  
**Henry Ford Health System (Michigan)**  
**Lahey Clinic (Massachusetts)**  
**Billings Clinic (Montana)**  
**Cleveland Clinic (Ohio)**  
**University of Michigan Health System (Michigan)**  
**Munson Healthcare (Michigan)**  
**Bassett Healthcare Network (New York)**  
**Trinity Mother Frances Hospitals and Clinics (Texas)**  
**Indiana University Health (Indiana)**  
**Baylor Health Care System (Texas)**  
**Montefiore Medical Center (New York)**  
**New York Presbyterian (New York)**  
**Asante (Oregon)**  
**Geisinger (Pennsylvania)**  
**Catholic Health Partners (Ohio)**  
**Summa Health System (Ohio)**  
**University of Utah Health Care (Utah)**  
**Essentia Health (Minnesota)**

Attach: (IHCC response to MedPAC March 2012 report, February 13, 2012 letter to Congress from IHCC